GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:923
ANSWERED ON:06.03.2007
PROPOSALS FOR FOREIGN DIRECT INVESTMENT
Appadurai Shri M.

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has cleared several Foreign Direct Investment proposals recently in haste ;

(b) if so, the details of the cleared proposals and pending proposals thereof; and

(c) the steps taken by the Government to clear the pending proposals with due consideration of domestic industry ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI ASHWANI KUMAR)

(a)&(b) : No, Sir. The Government has not cleared any proposal for Foreign Direct Investment (FDI) in haste. The details of FDI proposals cleared in the last quarter after due consideration of relevant factors is indicated in the statement enclosed.

(c) : Government has put in place a liberal and investor-friendly policy on Foreign Direct Investment (FDI) under which FDI up to 100% is permitted in most sectors / activities allowed under the automatic route where no prior approval of the Government is required. Proposals requiring prior Government approval, including those where the foreign investor has an existing collaboration agreement with a domestic company, are considered by the Foreign Investment Promotion Board

(FIPB) in a time-bound manner and through inter-ministerial consultations.